

~~SECRET~~

23 January 1956

\*OGC Has Reviewed\*

MEMORANDUM FOR: Chief, IO Division

SUBJECT : Utilization of [ ] Pursuant to the Authority of Section 7.3 of the Confidential Fund Regulations

25X1

REFERENCE : Your Memorandum, Same Subject, Dated 21 December 1955

1. You requested the concurrence of this Office in a proposal that you pay [ ] at the rate of \$2.40 per hour for consultant services and reimburse him for travel expenses incident to the rendering of such services. You pointed out that [ ] is a Government employee working for the Department of Justice.

25X1

2. We cannot concur in this proposal as it is presented. It is the general thrust of the so-called dual compensation statutes [5 USC 59-71 (1952)] that federal employees may not receive compensation computed on a time basis from more than one federal source.

3. However, we suggest that you might be able to avail this Agency of [ ] services if you were to reimburse him on a fee, not a time, basis. Thus, for a given consultation, he could be paid a flat fee which perhaps would reflect a prior assessment of the value of his services on an hourly basis and the cost of travel necessary to the rendition of those services but would not be computed on that basis. In terms, this fee would be for the rendering of a service, qua service, and not for the rendering of a service on a time basis. This former dispensation long has been held by this Office not to fall within the prohibition of the dual compensation statutes.

4. As per our telephone conversation of 20 January 1956, the information set out above is furnished you, and your memorandum is returned.

25X1

OGC/HF:pkb

Office of General Counsel

Distribution: Orig. &amp; 1-Addressee

1-Confidential Funds File  
1-HF Chrono  
1-OGC-225 East  
1-Chrono

~~SECRET~~